

103D CONGRESS  
1ST SESSION

# H. R. 647

To establish the Social Security Administration as an independent agency, which shall be headed by a Social Security Board, and which shall be responsible for the administration of the old-age, survivors, and disability insurance program under title II of the Social Security Act and the supplemental security income program under title XVI of such Act.

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## IN THE HOUSE OF REPRESENTATIVES

JANUARY 27, 1993

Mr. JACOBS introduced the following bill; which was referred to the Committee on Ways and Means

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## A BILL

To establish the Social Security Administration as an independent agency, which shall be headed by a Social Security Board, and which shall be responsible for the administration of the old-age, survivors, and disability insurance program under title II of the Social Security Act and the supplemental security income program under title XVI of such Act.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

3       **SECTION 1. SHORT TITLE AND TABLE OF CONTENTS.**

4       This Act may be cited as the “Social Security Admin-  
5       istration Independence Act of 1993”.



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1 **SEC. 2. DECLARATION OF PURPOSES.**

2 The purposes of this Act are as follows:

3 (1) to establish the Social Security Administra-  
 4 tion as an independent agency, separate from the  
 5 Department of Health and Human Services;

6 (2) to charge the Social Security Administra-  
 7 tion with administration of the old-age, survivors,  
 8 and disability insurance program and supplemental  
 9 security income program;

10 (3) to establish a Social Security board as head  
 11 of the Social Security Administration and define the  
 12 powers and duties of such Board;



1 (4) to establish an Executive Director of the  
2 Administration and define the powers and duties of  
3 the Executive Director; and

4 (5) to provide for delegating major authorities  
5 to the Board and the Executive Director.

6 **TITLE I—ESTABLISHMENT OF**  
7 **THE SOCIAL SECURITY AD-**  
8 **MINISTRATION AS AN INDE-**  
9 **PENDENT AGENCY**

10 **SEC. 101. ESTABLISHMENT OF THE SOCIAL SECURITY AD-**  
11 **MINISTRATION AS A SEPARATE, INDEPEND-**  
12 **ENT AGENCY; RESPONSIBILITIES OF THE**  
13 **AGENCY.**

14 Section 701 of the Social Security Act (42 U.S.C.  
15 901) is amended to read as follows:

16 “SOCIAL SECURITY ADMINISTRATION

17 “SEC. 701. There is hereby established, as an inde-  
18 pendent agency in the executive branch of the Govern-  
19 ment, a Social Security Administration. It shall be the  
20 duty of the Administration to administer the old-age, sur-  
21 vivors, and disability insurance program under title II and  
22 the supplemental security income program under title  
23 XVI.”.



1 **SEC. 102. SOCIAL SECURITY BOARD, EXECUTIVE DIRECTOR,**  
2 **DEPUTY DIRECTOR, BENEFICIARY OMBUDS-**  
3 **MAN; OTHER OFFICERS.**

4 (a) IN GENERAL.—Section 702 of the Social Security  
5 Act (42 U.S.C. 902) is amended to read as follows:

6 “SOCIAL SECURITY BOARD; EXECUTIVE DIRECTOR;

7 OTHER OFFICERS

8 “Social Security Board

9 “SEC. 702. (a)(1)(A) The Administration shall be  
10 governed by a Social Security Board. The Board shall be  
11 composed of three members appointed by the President,  
12 by and with the advice and consent of the Senate. The  
13 members shall be chosen on the basis of their integrity,  
14 impartiality, and good judgment, and shall be individuals  
15 who are, by reason of their education, experience, and at-  
16 tainments, exceptionally qualified to perform the duties of  
17 members of the Board.

18 “(B)(i) Except as provided in clauses (ii) and (iii),  
19 members of the Board shall be appointed for terms of six  
20 years. A member of the Board may be removed only pur-  
21 suant to a finding by the President of neglect of duty or  
22 malfeasance in office. The President shall transmit any  
23 such finding to the Speaker of the House of Representa-  
24 tives and the majority leader of the Senate not later than  
25 five days after the date on which such finding is made.

26 “(ii) Of the members first appointed—



1           “(I) one shall be appointed for a term ending  
2       June 30, 1997,

3           “(II) one shall be appointed for a term ending  
4       June 30, 1999, and

5           “(III) one shall be appointed for a term ending  
6       June 30, 2001,

7 as designated by the President at the time of appointment.  
8 Such members shall be appointed after active consider-  
9 ation of recommendations made by the chairman of the  
10 Committee on Ways and Means of the House of Rep-  
11 resentatives and of recommendations made by the chair-  
12 man of the Committee on Finance of the Senate.

13       “(iii) The President may not nominate an individual  
14 for appointment to a term of office as member of the  
15 Board before the commencement of the President’s term  
16 of office in which the member’s term of office commences.  
17 Any member appointed to a term of office after the com-  
18 mencement of such term may serve under such appoint-  
19 ment only for the remainder of such term. A member may,  
20 at the request of the President, serve for not more than  
21 one year after the expiration of his or her term until his  
22 or her successor has taken office. A member of the Board  
23 may be appointed for additional terms.

24       “(C) Not more than two members of the Board shall  
25 be of the same political party.



1       “(D) A member of the Board may not, during his  
2 or her term as member, engaged in any other business,  
3 vocation, profession, or employment. A member of the  
4 Board may continue as a member of the Board for not  
5 longer than the 30-day period beginning on the date such  
6 member first fails to meet the requirements of the preced-  
7 ing sentence.

8       “(E) Two members of the Board shall constitute a  
9 quorum, except that one member may hold hearings.

10       “(F) A member of the Board shall be designated by  
11 the President to serve as Chairperson of the Board for  
12 a term of 4 years.

13       “(G) The Board shall meet at the call of the Chair-  
14 person or two members of the Board.

15       “(2) Each member of the Board shall be compensated  
16 at the rate provided for level II of the Executive Schedule.

17       “(3) The Board shall—

18               “(A) govern by regulation the old-age, survi-  
19 vors, and disability insurance program under title II  
20 and the supplemental security income program  
21 under title XVI,

22               “(B) establish the Administration and oversee  
23 its efficient and effective operation,



1           “(C) establish policy and devise long-term plans  
2           to promote and maintain the effective implementa-  
3           tion of programs referred to in subparagraph (A),

4           “(D) appoint an Executive Director of the Ad-  
5           ministration, as described in subsection (b), to act as  
6           the chief operating officer of the Administration re-  
7           sponsible for administering the programs referred to  
8           in subparagraph (A),

9           “(E) constitute three of the members of the  
10          Board of Trustees of the Federal Old-Age and Sur-  
11          vivors Insurance Trust Fund and the Federal Dis-  
12          ability Insurance Trust Fund, with the Chairperson  
13          of the Social Security Board serving as Chairperson  
14          of such Board of Trustees,

15          “(F) prepare an annual budget for the Admin-  
16          istration, which shall be submitted by the President  
17          to the Congress without revision, together with the  
18          President’s annual budget for the Administration,

19          “(G) study and make recommendations to the  
20          Congress and the President as to the most effective  
21          methods of providing economic security through so-  
22          cial insurance, supplemental security income, and re-  
23          lated programs and as to legislation and matters of  
24          administrative policy concerning the programs re-  
25          ferred to in subparagraph (A),



1           “(H) provide the Congress and the President  
2           with the ongoing actuarial and other analysis under-  
3           taken by the Administration with respect to the pro-  
4           grams referred to in subparagraph (A) and any  
5           other information relating to such programs, and

6           “(I) conduct policy analysis and research relat-  
7           ing to the programs referred to in subparagraph  
8           (A).

9           “(4)(A) The Board may prescribe such rules and reg-  
10          ulations as the Board determines necessary or appropriate  
11          to carry out the functions of the Administration. The reg-  
12          ulations prescribed by the Board shall be subject to the  
13          rulemaking procedures established under section 553 of  
14          title 5, United States Code.

15          “(B) The Board may establish, alter, consolidate, or  
16          discontinue such organizational units or components with-  
17          in the Administration as the Board considers necessary  
18          or appropriate to carry out its functions, except that this  
19          subparagraph shall not apply with respect to any unit,  
20          component, or position provided for by this Act.

21          “(C) The Board may, with respect to the administra-  
22          tion of the old-age, survivors, and disability insurance pro-  
23          gram under title II and the supplemental security income  
24          program under title XVI, assign duties, and delegate, or  
25          authorize successive redelegations of, authority to act and



1 to render decisions, to such officers and employees as the  
2 Board may find necessary. Within the limitations of such  
3 delegations, redelegations, or assignments, all official acts  
4 and decisions of such officers and employees shall have  
5 the same force and effect as though performed or rendered  
6 by the Board.

7 “Executive Director

8 “(b)(1) There shall be in the Administration an Exec-  
9 utive Director who shall be appointed by the Social Secu-  
10 rity Board.

11 “(2)(A) The Executive Director shall be appointed  
12 for a term of four years, except that the individual first  
13 appointed to the office of Executive Director shall be ap-  
14 pointed for a term ending September 30, 1997. An indi-  
15 vidual appointed to a term of office as Executive Director  
16 after the commencement of such term of office as Execu-  
17 tive Director after the commencement of such term may  
18 serve under such appointment only for the remainder of  
19 such term. An individual may, at the request of the Chair-  
20 person of the Board, serve as Executive Director after the  
21 expiration of his or her term for not more than one year  
22 until his or her successor has taken office. An individual  
23 may be appointed as Executive Director for additional  
24 terms.



1       “(B) An individual may be removed from the office  
2 of Executive Director before completion of his or her term  
3 only for cause found by the Board.

4       “(3) The Executive Director shall be compensated at  
5 the rate provided for level II of the Executive Schedule.

6       “(4) The Executive Director shall—

7               “(A) constitute the chief operating officer of the  
8 Administration, responsible for administering, in ac-  
9 cordance with applicable statutes and regulations,  
10 the old-age, survivors, and disability insurance pro-  
11 gram under title II and the supplemental security  
12 income program under title XVI,

13              “(B) maintain an efficient and effective oper-  
14 ational structure for the Administration,

15              “(C) implement the long-term plans of the  
16 Board to promote and maintain the effective imple-  
17 mentation of such programs,

18              “(D) report annually to the Board on program  
19 costs under titles II and XVI, make annual budg-  
20 etary recommendations to the Board for the ongoing  
21 administrative costs of the Administration under this  
22 Act, and defend the recommendations before the  
23 Board,



1           “(E) advise the Board and the Congress on the  
2       effect on the administration of such programs of  
3       proposed legislative changes in such programs,

4           “(F) serve as Secretary of the Board of Trust-  
5       ees of the Federal Old-Age and Survivors Insurance  
6       Trust Fund and the Federal Disability Insurance  
7       Trust Fund,

8           “(G) report in December of each year to the  
9       Board for transmittal to the Congress concerning  
10      the administrative endeavors and accomplishments  
11      of the Administration, and

12          “(H) carry out such additional duties as are as-  
13      signed by the Board from time to time.

14   Any reference to the Board in this Act or any other provi-  
15   sion of law in connection with the exercise of a function  
16   of the Board which is delegated to the Executive Director  
17   pursuant to this section shall be considered a reference  
18   to the Executive Director.

19           “Deputy Director of Social Security

20          “(c)(1) There shall be in the Office of the Executive  
21   Director a Deputy Director, who shall be appointed by and  
22   serve at the pleasure of the Executive Director.

23          “(2) The Deputy Director shall be compensated at  
24   the rate provided for level III of the Executive Schedule.



1       “(3) The Deputy Director shall perform such duties  
2 and exercise such powers as the Executive Director shall  
3 from time to time assign or delegate. The Deputy Director  
4 shall be Acting Executive Director of the Administration  
5 during the absence or disability of the Executive Director  
6 and, unless the Board designates another officer of the  
7 Government as Acting Executive Director, in the event of  
8 a vacancy in the office of the Executive Director.

9                       “General Counsel

10       “(d)(1) There shall be in the Administration a Gen-  
11 eral Counsel, who shall be appointed by and serve at the  
12 pleasure of the Board. The General Counsel shall be the  
13 principal legal officer in the Administration.

14       “(2) The General Counsel shall be compensated at  
15 the rate provided for level IV of the Executive Schedule.

16                       “Inspector General

17       “(e)(1) There shall be in the Administration an Office  
18 of the Inspector General. Such Office shall be headed by  
19 an Inspector General appointed in accordance with the In-  
20 spector General Act of 1978.

21       “(2) The Inspector General shall be compensated at  
22 the rate provided for level IV of the Executive Schedule.



1                   “Beneficiary Ombudsman

2           “(f)(1) There shall be in the Administration an Office  
3 of the Beneficiary Ombudsman, to be headed by a Bene-  
4 ficiary Ombudsman appointed by the Board.

5           “(2)(A) The Beneficiary Ombudsman shall be ap-  
6 pointed for a term of five years, except that the individual  
7 first appointed to the Office of Beneficiary Ombudsman  
8 shall be appointed for a term ending September 30, 1996.  
9 An individual appointed to a term of office as Beneficiary  
10 Ombudsman after the commencement of such term may  
11 serve under such appointment only for the remainder of  
12 such term. An individual may, at the request of the Chair-  
13 person of the Board, serve as Beneficiary Ombudsman  
14 after the expiration of his or her term for not more than  
15 one year until his or her successor has taken office. An  
16 individual may be appointed as Beneficiary Ombudsman  
17 for additional terms.

18           “(B) An individual may be removed from the office  
19 of Beneficiary Ombudsman before completion of his or her  
20 term only for cause found by the Board.

21           “(3) The Beneficiary Ombudsman shall be com-  
22 pensated at the rate provided for level V of the Executive  
23 Schedule.

24           “(4) The duties of the Beneficiary Ombudsman are  
25 as follows:



1           “(A) to represent within the Administration’s  
2       decisionmaking process the interests and concerns of  
3       beneficiaries under the old-age, survivors, and dis-  
4       ability insurance program under title II and the sup-  
5       plemental security income program under title XVI;

6           “(B) to review the Administration’s policies and  
7       procedures for possible adverse effects on such bene-  
8       ficiaries;

9           “(C) to recommend within the Administration’s  
10      decisionmaking process changes in policies which  
11      have caused problems for such beneficiaries;

12          “(D) to help resolve the problems under such  
13      programs of individual beneficiaries in unusual or  
14      difficult circumstances, as determined by the Admin-  
15      istration; and

16          “(E) to represent within the Administration’s  
17      decisionmaking process the views of beneficiaries in  
18      the design of forms and the issuance of instructions.

19      “(5) The Board shall assure that the Office of the  
20      Beneficiary Ombudsman has staff sufficient to enable the  
21      Beneficiary Ombudsman to efficiently carry out his or her  
22      duties. Such staff shall be located in the regional offices,  
23      program centers, and central office of the Administration.



1 “(6) The annual report of the Board under section  
2 704 shall include a description of the activities of the Ben-  
3 eficiary Ombudsman.

4 “Administrative Law Judge

5 “(g)(1) There shall be in the Administration an Of-  
6 fice of the Chief Administrative Law Judge, who shall be  
7 appointed by the Board. The duty of the Chief Adminis-  
8 trative Law Judge shall be to administer the affairs of  
9 the administrative law judges serving in the Administra-  
10 tion in a manner so as to ensure that hearings and other  
11 business are conducted by the administrative law judges  
12 in accordance with applicable law and regulations.

13 “(2) The Chief Administrative Law Judge shall re-  
14 port directly to the Board.”.

15 (b) CONFORMING AMENDMENTS RELATING TO COM-  
16 POSITION OF BOARD OF TRUSTEES OF OASDI TRUST  
17 FUNDS.—Section 201(c) of such Act (42 U.S.C. 401(c))  
18 is amended—

19 (1) in the first sentence, by striking “shall be  
20 composed of” and all that follows down through “ex  
21 officio” and inserting the following: “shall be com-  
22 posed of the members of the Social Security Board,  
23 the Secretary of Health and Human Services, all ex  
24 officio”;



1           (2) by inserting after the first sentence the fol-  
2       lowing new sentence: “The Chairperson of the Social  
3       Security Board shall be the Chairperson of the  
4       Board of Trustees.”; and

5           (3) by striking “Commissioner of Social Secu-  
6       rity” and inserting “Executive Director of the Social  
7       Security Administration”.

8       (c) INTERIM AUTHORITY OF THE COMMISSIONER.—  
9       The President shall nominate for appointment the initial  
10      members of the Social Security Board not later than April  
11      1, 1994. In the event that, as of July 1, 1994, all members  
12      of the Social Security Board have not entered upon office,  
13      until all members of the Board have entered upon office,  
14      the officer serving on July 1, 1994, as Commissioner of  
15      Social Security in the Department of Health and Human  
16      Services (or Acting Commissioner, if applicable), or such  
17      officer’s successor, shall, while continuing to serve as Com-  
18      missioner of Social Security (or Acting Commissioner) in  
19      such Department, serve as head of the Social Security Ad-  
20      ministration established under section 701 of the Social  
21      Security Act (as amended by this Act) and shall assume  
22      the powers and duties of such Board and of the Executive  
23      Director under such Act (as amended by this Act).



1 **SEC. 103. PERSONNEL; BUDGETARY MATTERS; FACILITIES;**  
2 **AND PROCUREMENT; SEAL OF OFFICE.**

3 Section 703 of the Social Security Act (42 U.S.C.  
4 903) is amended to read as follows:

5 “ADMINISTRATIVE DUTIES OF THE SOCIAL SECURITY  
6 BOARD

7 “Personnel

8 “SEC. 703. (a)(1) The Social Security Board shall  
9 appoint such additional officers and employees as it con-  
10 sider necessary to carry out its functions. Except as oth-  
11 erwise provided in any other provision of law, such officers  
12 and employees shall be appointed, and their compensation  
13 shall be fixed, in accordance with title 5, United States  
14 Code.

15 “(2) The Board may procure the services of experts  
16 and consultants in accordance with the provisions of sec-  
17 tion 3109 of title 5, United States Code.

18 “(3) The Director of the Office of Personnel Manage-  
19 ment shall authorize for the Administration a total num-  
20 ber of Senior Executive Service positions which is greater  
21 than the number of such positions authorized in the Social  
22 Security Administration in the Department of Health and  
23 Human Services as of immediately before the date of the  
24 enactment of the Social Security Administration Inde-  
25 pendence Act of 1993, to the extent that the greater num-  
26 ber of such authorized positions is specified in the com-



1 prehensive workforce plan as established and revised by  
2 the Board under subsection (b)(1). The total number of  
3 such positions authorized for the Administration pursuant  
4 to such section 3133 shall not at any time be less than  
5 the number of such authorized positions as of immediately  
6 before such date.

7 “(4) In addition to the positions of the Administra-  
8 tion in the Executive Schedule specified in section 702,  
9 the Administration is authorized six additional positions  
10 at level IV of the Executive Schedule and six additional  
11 positions at level V of the Executive Schedule.

12 “Budgetary Matters

13 “(b)(1) Appropriations requests for staffing and per-  
14 sonnel of the Administration shall be based upon a com-  
15 prehensive workforce plan, which shall be established and  
16 revised from time to time by the Board. The entire amount  
17 of appropriations provided for the administrative costs of  
18 the Administration shall be apportioned in the time period  
19 provided in title 31, United States Code, for appor-  
20 tionment and shall be apportioned for the entire period of  
21 availability without restriction or deduction by the appor-  
22 tioning officer or employee of the Office of Management  
23 and Budget or any other entity within the executive  
24 branch of the Federal Government, except as otherwise  
25 provided in this subsection.



1       “(2) The report submitted pursuant to section 704  
2 shall include a section reflecting the use of budget author-  
3 ity provided to the Administration by quarters.

4       “(3)(A) The authority of the Administration for fa-  
5 cilities construction, and any authority of the Administra-  
6 tion for automated data processing procurement which is  
7 delegated thereto, shall be provided in the form of contract  
8 authority covering the total costs thereof, to be available  
9 until expended.

10       “(B) Amounts necessary for the liquidation of con-  
11 tract authority provided pursuant to this paragraph are  
12 hereby made available from the Federal Old-Age and Sur-  
13 vivors Insurance Trust Fund and the Federal Disability  
14 Insurance Trust Fund to the extent that the Board, with  
15 the concurrence of the Secretary of the Treasury, deter-  
16 mines that such amounts are not necessary to meet the  
17 current obligations for benefit payments from the Trust  
18 Funds.

19       “(C) Funds appropriated for the Administration to  
20 be available on a contingency basis shall be apportioned  
21 only upon the occurrence of the stipulated contingency, as  
22 determined by the Board and reported to each House of  
23 the Congress.



1 “Seal of Office

2 “(c) The Board shall cause a seal of office to be made  
3 for the Administration of such design as the Board shall  
4 approve. Judicial notice shall be taken of such seal.”.

5 **SEC. 104. TRANSFERS TO THE NEW SOCIAL SECURITY AD-**  
6 **MINISTRATION.**

7 (a) FUNCTIONS.—There are transferred to the Social  
8 Security Administration all functions carried out by the  
9 Secretary of Health and Human Services with respect to  
10 the programs and activities the administration of which  
11 is vested in the Social Security Administration by reason  
12 of this Act and the amendments made thereby. The Social  
13 Security Board shall allocate such functions in accordance  
14 with sections 701, 702, and 703 of the Social Security  
15 Act (as amended by this Act).

16 (b) PERSONNEL, ASSETS, ETC.—(1) There are trans-  
17 ferred from the Department of Health and Human Serv-  
18 ices to the Social Security Administration, for appropriate  
19 allocation by the Social Security Board in the Social Secu-  
20 rity Administration—

21 (A) the personnel (other than administrative  
22 law judges) employed in connection with the func-  
23 tions transferred by this Act and the amendments  
24 made thereby, as considered appropriate by the



1 Board in consultation with the Secretary of Health  
2 and Human Services,

3 (B) such number of administrative law judges  
4 as are necessary to carry out the functions trans-  
5 ferred by this Act and the amendments made there-  
6 by, as determined by the Board in consultation with  
7 the Secretary of Health and Human Services, and

8 (C) the assets, liabilities, contracts, property,  
9 records, and unexpended balance of appropriations,  
10 authorizations, allocations, and other funds em-  
11 ployed, held, or used in connection with such func-  
12 tions, arising from such functions, or available, or to  
13 be made available, in connection with such functions.

14 (2) Unexpended funds transferred pursuant to this  
15 subsection shall be used only for the purposes for which  
16 the funds were originally authorized and appropriated.

17 (3) The Secretary of Health and Human Services  
18 shall terminate—

19 (A) six positions in the Department of Health  
20 and Human Services placed in level IV of the Execu-  
21 tive Schedule (or equivalent positions) other than po-  
22 sitions specifically required under section 5315 of  
23 title 5, United States Code, or any other provision  
24 of law, and



1 (B) six positions in such Department placed in  
2 level V of the Executive Schedule (or equivalent po-  
3 sitions) other than positions specifically required  
4 under section 5316 of such title or any other provi-  
5 sion of law.

6 (4) The transfer pursuant to this section of full-time  
7 personnel (except special Government employees) and  
8 part-time personnel holding permanent positions shall not  
9 cause any such employees to be separated or reduced in  
10 grade or compensation for 1 year after such transfer or  
11 July 1, 1994, whichever is later.

12 (c) ABOLISHMENT OF OFFICE OF COMMISSIONER IN  
13 THE DEPARTMENT OF HEALTH AND HUMAN SERV-  
14 ICES.—Effective upon the entry upon office of all initial  
15 members of the Social Security Board pursuant to section  
16 702 of the Social Security Act (as amended by this Act),  
17 the position of Commissioner of Social Security in the De-  
18 partment of Health and Human Services is abolished.

19 **SEC. 105. TRANSITIONAL RULES.**

20 (a) INTERIM AUTHORITY FOR APPOINTMENT AND  
21 COMPENSATION.—At any time on or after the date of the  
22 enactment of this Act—

23 (1) any of the officers provided for in section  
24 702 of the Social Security Act (as amended by this



1 Act) may enter upon office, as provided in such sec-  
2 tion, and

3 (2) the Social Security Board, upon entry upon  
4 office of all of the members thereof, may prescribe  
5 regulations providing for the orderly transfer of pro-  
6 ceedings before the Secretary of Health and Human  
7 Services to the Social Security Board.

8 Funds available to any official or component of the De-  
9 partment of Health and Human Services, functions of  
10 which are transferred to the Social Security Board or the  
11 Social Security Administration by this Act, may be used,  
12 with the approval of the Director of the Office of Manage-  
13 ment and Budget, to pay the compensation and expenses  
14 of any officer entering upon office pursuant to this section  
15 until such time as funds for that purpose are otherwise  
16 available.

17 (b) CONTINUATION OF ORDERS, DETERMINATIONS,  
18 RULES, REGULATIONS, ETC.—All orders, determinations,  
19 rules, regulations, permits, contracts, collective bargaining  
20 agreements, recognitions of labor organizations, certifi-  
21 cates, licenses, and privileges—

22 (1) which have been issued, made, promulgated,  
23 granted, or allowed to become effective, in the exer-  
24 cise of functions (A) which were exercised by the  
25 Secretary of Health and Human Services (or his del-



1       egate), and (B) which relate to functions which, by  
2       reason of this Act, the amendments made thereby,  
3       and regulations prescribed thereunder, are vested in  
4       the Social Security Board, and

5               (2) which are in effect immediately before July  
6       1, 1994,

7       shall (to the extent that they relate to functions described  
8       in paragraph (1)(B)) continue in effect according to their  
9       terms until modified, terminated, suspended, set aside, or  
10      repealed, in accordance with law, by such Board.

11      (c) CONTINUATION OF PROCEEDINGS.—The provi-  
12      sions of this Act (including the amendments made there-  
13      by) shall not affect any proceeding pending before the Sec-  
14      retary of Health and Human Services immediately before  
15      July 1, 1994, with respect to functions vested (by reason  
16      of this Act, the amendments made thereby, and regula-  
17      tions prescribed thereunder) in the Social Security Board,  
18      except that such proceedings, to the extent that they relate  
19      to such functions, shall continue before such Board. Or-  
20      ders shall be issued under any such proceeding, appeals  
21      taken therefrom, and payments shall be made pursuant  
22      to such orders, in like manner as if this Act had not been  
23      enacted, and orders issued in any such proceeding shall  
24      continue in effect until modified, terminated, superseded,



1 or repealed by such Board, by a court of competent juris-  
2 diction, or by operation of law.

3 (d) CONTINUATION OF SUITS.—Except as provided  
4 in this subsection—

5 (1) the provisions of this Act shall not affect  
6 suits commenced prior to July 1, 1994; and

7 (2) in all such suits proceedings shall be had,  
8 appeals taken, and judgments rendered, in the same  
9 manner and effect as if this Act had not been en-  
10 acted. No cause of action, and no suit, action, or  
11 other proceeding commenced by or against any offi-  
12 cer in his official capacity as an officer of the De-  
13 partment of Health and Human Services, shall abate  
14 by reason of the enactment of this Act. Causes of  
15 action, suits, actions, or other proceedings may be  
16 asserted by or against the United States and the So-  
17 cial Security Administration, or such official of such  
18 Administration as may be appropriate, and, in any  
19 litigation pending immediately before July 1, 1994,  
20 the court may at any time, on its own motion or  
21 that of a party, enter an order which will give effect  
22 to the provisions of this subsection (including, where  
23 appropriate, an order for substitution of parties).

24 (e) CONTINUATION OF PENALTIES.—This Act shall  
25 not have the effect of releasing or extinguishing any crimi-



1 nal prosecution, penalty, forfeiture, or liability incurred as  
2 a result of any function which (by reason of this Act),  
3 the amendments made thereby, and regulations prescribed  
4 thereunder) is vested in the Social Security Board.

5 (f) JUDICIAL REVIEW.—Orders and actions of the  
6 Social Security Board in the exercise of functions vested  
7 in such Board under this Act (and the amendments made  
8 thereby) shall be subject to judicial review to the same  
9 extent and in the same manner as if such orders had been  
10 made and such actions had been taken by the Secretary  
11 of Health and Human Services in the exercise of such  
12 functions immediately before July 1, 1994. Any statutory  
13 requirements relating to notice, hearings, action upon the  
14 record, or administrative review that apply to any function  
15 so vested in such Board shall continue to apply to the ex-  
16 ercise of such function by such Board.

17 (g) EXERCISE OF FUNCTIONS.—In the exercise of the  
18 functions vested in the Social Security Board under this  
19 Act, the amendments made thereby, and regulations pre-  
20 scribed thereunder, such Board shall have the same au-  
21 thority as that vested in the Secretary of Health and  
22 Human Services with respect to the exercise of such func-  
23 tions immediately preceding the vesting of such functions  
24 in such Board, and actions of such Board shall have the  
25 same force and effect as when exercised by such Secretary.



1       (h) OPERATION OF TRANSITIONAL RULES IN THE  
2 EVENT OF INTERIM AUTHORITY IN THE COMMIS-  
3 SIONER.—For purposes of this section, in any case in  
4 which the powers and duties to be transferred to the Social  
5 Security Board are transferred to the Commissioner of So-  
6 cial Security (or acting Commissioner) in the Department  
7 of Health and Human Services for an interim period pur-  
8 suant to section 102(c), the preceding provisions of this  
9 section shall apply with respect to the transfer of such  
10 powers and duties to and from such Commissioner (or act-  
11 ing Commissioner) pursuant to section 102(c) in the same  
12 manner and to the same extent as they would have applied  
13 to a direct transfer from the Secretary of Health and  
14 Human Services to the Social Security Board if all mem-  
15 bers of the Board had entered upon office.

16 **SEC. 106. EFFECTIVE DATES.**

17       (a) IN GENERAL.—Sections 101, 102(a), 103, and  
18 104 of this Act shall take effect July 1, 1994.

19       (b) EXCEPTIONS.—Section 102(b) of this Act shall  
20 take effect upon the entry upon office of all initial mem-  
21 bers of the Social Security Board. Sections 102(c) and  
22 105 of this Act shall take effect on the date of the enact-  
23 ment of this Act.

24       (c) NEW SPENDING AUTHORITY.—Any new spending  
25 authority provided by this title shall be effective for any



1 fiscal year only to such extent or in such amounts as are  
2 provided in advance in appropriation Acts.

3 **TITLE II—CONFORMING AMEND-**  
4 **MENTS AND RULES OF CON-**  
5 **STRUCTION**

6 **SEC. 201. AMENDMENTS TO TITLES II AND XVI OF THE SO-**  
7 **CIAL SECURITY ACT.**

8 (a) IN GENERAL.—Title II of the Social Security Act  
9 (other than section 201, section 218(d), section 226, sec-  
10 tion 226A, and section 231(c)) and title XVI of such Act  
11 are each amended—

12 (1) by striking, wherever it appears therein,  
13 “Secretary of Health and Human Services” and in-  
14 serting “Social Security Board”;

15 (2) by striking, wherever it appears therein,  
16 “Department of Health and Human Services” and  
17 inserting “Social Security Administration”;

18 (3) by striking, wherever it appears therein,  
19 “Department” (but only if it is not immediately suc-  
20 ceeded by the words “of Health and Human Serv-  
21 ices”, and only if it is used in reference to the De-  
22 partment of Health and Human Services) and in-  
23 serting “Administration”;

24 (4) by striking, wherever it appears therein,  
25 each of the following words (but, in the case of any



1       such word only if such word refers to the Secretary  
2       of Health and Human Services): “Secretary”, “Sec-  
3       retary’s”, “his”, “him”, and “he”, and inserting (in  
4       the case of the word “Secretary”) “Social Security  
5       Board”, (in the case of the word “Secretary’s”) “  
6       Board’s”, (in the case of the word “his”) “the  
7       Board’s”, (in the case of the word “him”) “the  
8       Board”, and (in the case of the word “he”) “the  
9       Board”; and

10           (5) by striking, wherever it appears therein,  
11       “Internal Revenue Code of 1954” and inserting “In-  
12       ternal Revenue Code of 1986”.

13       (b) AMENDMENTS TO SECTION 218.—Section 218(d)  
14 of such Act (42 U.S.C. 418(d)) is amended by striking  
15 “Secretary” each place it appears in paragraphs (3) and  
16 (7) and inserting “Social Security Board”.

17       (c) AMENDMENTS TO SECTION 222.—Section 222(d)  
18 of such Act (42 U.S.C. 422(d)) is amended—

19           (1) in the last sentence of paragraph (1), by  
20       striking “Commissioner of Social Security” and in-  
21       serting “Executive Director of the Social Security  
22       Administration”; and

23           (2) in the first sentence of paragraph (2), by  
24       striking “Commissioner of Social Security” and in-



1       serting “Executive Director of the Social Security  
2       Administration”.

3       (d) AMENDMENT TO SECTION 231.—Section 231(c)  
4 of such Act (42 U.S.C. 431(c)) is amended by striking  
5 “Secretary determines” and inserting “Social Security  
6 Board and the Secretary jointly determine”.

7       (e) AMENDMENT TO SECTION 1615.—Section  
8 1615(d) of such Act (42 U.S.C. 1832d(d)) is amended  
9 by striking “Commissioner of Social Security” and insert-  
10 ing “Executive Director of the Social Security Administra-  
11 tion”.

12 **SEC. 202. OTHER CONFORMING AMENDMENTS.**

13       Title VII of the Social Security Act is amended—

14               (1) by striking section 704 (42 U.S.C. 904) and  
15       inserting the following new section:

16                               “REPORTS

17       “SEC. 704. The Secretary and the Social Security  
18 Board shall make full reports to Congress, within 120  
19 days after the beginning of each regular session, of the  
20 administration of the functions with which they are  
21 charged under this Act. In addition to the number of cop-  
22 ies of such reports authorized by other law to be printed,  
23 there is hereby authorized to be printed not more than  
24 5,000 copies of each such report for use by the Secretary  
25 and Social Security Board for distribution to Members of  
26 Congress and to State and other public or private agencies



1 or organizations participating in or concerned with the  
2 programs provided for in this Act.”;

3 (2) in section 709(b)(2) (42 U.S.C. 910(b)(2)),  
4 by striking “(as estimated by the Secretary)” and  
5 inserting “, as estimated by the Social Security  
6 Board or the Secretary (whichever administers the  
7 program involved),”; and

8 (3) by adding at the end thereof the following  
9 new section:

10 “DUTIES AND AUTHORITY OF SECRETARY

11 “SEC. 712. (a) The Secretary shall perform the du-  
12 ties imposed upon him by this Act and shall also have the  
13 duty of studying and making recommendations as to the  
14 most effective methods of providing economic security and  
15 as to legislation and matters of administrative policy con-  
16 cerning the programs administered by the Secretary and  
17 related subjects; except that nothing in this section shall  
18 be construed to require the Secretary to make studies or  
19 recommendations with respect to programs administered  
20 by the Social Security Administration.

21 “(b) The Secretary is authorized to appoint and fix  
22 the compensation of such officers and employees, and to  
23 make such expenditures, as may be necessary for carrying  
24 out the Secretary’s functions under this Act. Appoint-  
25 ments of attorneys and experts may be made without re-  
26 gard to the civil service laws.”.



1 **SEC. 203. RULES OF CONSTRUCTION.**

2 (a) REFERENCES TO THE DEPARTMENT OF HEALTH  
3 AND HUMAN SERVICES.—Whenever any reference is made  
4 in any provision of law (other than this Act or a provision  
5 of law amended by this Act), regulation, rule, record, court  
6 order, or other document to the Department of Health and  
7 Human Services with respect to such Department's func-  
8 tions under the old-age, survivors, and disability insurance  
9 program under title II of the Social Security Act or the  
10 supplemental security income program under title XVI of  
11 such Act, such reference shall be considered a reference  
12 to the Social Security Administration.

13 (b) REFERENCES TO THE SECRETARY OF HEALTH  
14 AND HUMAN SERVICES.—Whenever any reference is made  
15 in any provision of law (other than this Act or a provision  
16 of law amended by this Act), regulation, rule, record, court  
17 order, or other document to the Secretary of Health and  
18 Human Services with respect to such Secretary's functions  
19 under such programs, such reference shall be considered  
20 a reference to the Social Security Board.

21 (c) REFERENCES TO OTHER OFFICERS AND EM-  
22 PLOYEES.—Whenever any reference is made in any provi-  
23 sion of law (other than this Act or a provision of law  
24 amended by this Act), regulation, rule, record, or docu-  
25 ment to any other officer or employee of the Department  
26 of Health and Human Services with respect to such offi-



1 cer's or employee's functions under such programs, such  
2 reference shall be considered a reference to the appro-  
3 priate officer or employee of the Social Security Adminis-  
4 tration.

5 **SEC. 204. EFFECTIVE DATES.**

6 (a) IN GENERAL.—The preceding provisions of this  
7 title shall take effect July 1, 1994.

8 (b) NEW SPENDING AUTHORITY.—Any new spending  
9 authority provided by this title shall be effective for any  
10 fiscal year only to such extent or in such amounts as are  
11 provided in advance in appropriation Acts.

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